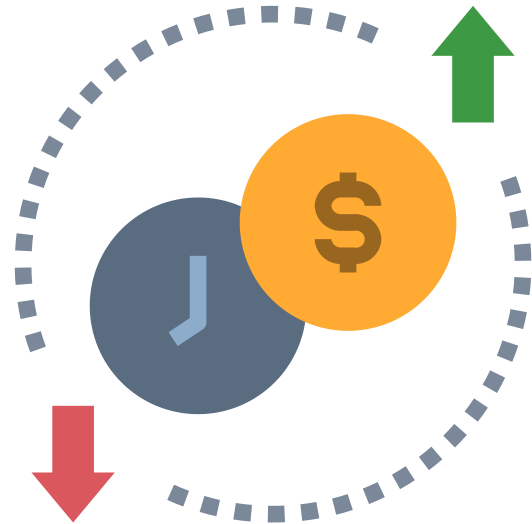




BENEFITS OF 3PL

Time savings

Third-party logistics providers can save companies the time they typically spend managing their supply chain. Usually, 3PLs take over transportation operations and some managing functions, so the amount of manual work is significantly eliminated. Also, thanks to 3rd party logistics companies and their technology, you save time on automated paperwork, fewer organizational errors, and time spent arranging shipments.



Continuous Optimization

3PLs can make modifications to each connection in the supply chain when needed. The company benefits from the constant improvements made to its logistics process when they outsource a logistics firm. One of the main goals of using a 3PL is optimization. These companies analyze your supply chain and operation and can define gaps and inconsistencies, helping you to optimize processes. A 3rd party logistics company goes through every step of your supply chain to determine the unnecessary operation and find the potential for cost savings.

Benefits of 3PL

Cost Savings



A 3rd party logistics company provides more buying power, extensive carrier networks, and lower transportation rates. 3PLs also can help reduce the rate of returns, claims, shipping errors, and lost sales. Through industry connections and thorough analysis, 3PLs can cut substantial costs you are spending on freight transportation and logistics. Thanks to relationships with carriers and experienced freight brokers, 3PLs can negotiate lower rates for you and ensure the elimination of unnecessary costs.

Technology Visibility

A 3PL with a TMS is instrumental for insight into the supply chain. TMS technology provides the custom data you desire. TMS software is costly, so when a 3PL integrates the technology, you save money and get more accessibility to capacity. Shippers benefit from increased load consolidation, frequent backhauls, and optimized routing and distribution.

Industry Insights

3PLs have thorough industry knowledge and insights, and they can accurately forecast what will work best for their customers. They have the technology to produce advanced reporting and inventory management, tracking the entire logistics process. When companies choose to work with a 3PL provider, they fully reap these benefits as the 3PL truly becomes an extension of their team

Carrier Capacity

3PLs give you access to the carrier capacity and required equipment needed to move your shipment regardless of the season. Through their relationships with thousands of carriers, third-party logistics providers ensure to support your freight volume. Also, they allow you to optimize inventory and warehouse management.



Source:

Why Do Companies Use 3PL Providers? - PLS Logistic Services - 8 April 2022